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FISCAL IMPACT STATEMENT

LS 7306

BILL NUMBER: HB 1513

NOTE PREPARED: Jan 7, 2005

BILL AMENDED:

SUBJECT: Proof of Financial Responsibility for Vehicles.

FIRST AUTHOR: Rep. Hoy

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill makes it a Class C infraction for: (1) an operator of a motor vehicle who is stopped by a police officer for a moving violation; or (2) an operator of a motor vehicle involved in an accident investigated by a law enforcement officer when there is death or injury of an individual or property damage of \$1,000 or more; to fail to submit to the officer proof of financial responsibility regarding the motor vehicle.

The bill requires a law enforcement officer who investigates a motor vehicle accident in which there is personal injury or death or property damage of \$1,000 or more to submit certain information, if possible, concerning proof of financial responsibility information to the State Police. The bill requires the Bureau of Motor Vehicles (BMV) to adopt rules concerning proof of financial responsibility. It makes conforming amendments.

Effective Date: Upon passage; July 1, 2005.

Explanation of State Expenditures: The BMV currently adopts rules, and this provision can be accomplished within existing levels of staff and resources. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

Background Information: In CY 2003, the BMV reported that there were 82,757 citations issued for no insurance, 17,414 citations for repeat no-insurance violations, and 22,784 citations issued for no-insurance accidents. The accident threshold was \$750 for the accidents reported.

Explanation of State Revenues: *Penalty Provision:* The proposal provides for a Class C infraction. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court

fees are collected. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: .Bureau of Motor Vehicles; State Police.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: BMV suspension and citation data for CY 2003.

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